February 26, 2021

Hemang Resources Limited: Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument^	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund Based- Cash Credit	12.00	12.00	[ICRA]D ISSUER NOT COOPERATING*; Rating Continues to remain under the 'Issuer Not Cooperating' category.
Non Fund Based	6.28	6.28	[ICRA]D ISSUER NOT COOPERATING*; Rating Continues to remain under the 'Issuer Not Cooperating' category.
Unallocated	104.72	104.72	[ICRA]D ISSUER NOT COOPERATING*; Rating Continues to remain under the 'Issuer Not Cooperating' category.
Non Fund based	77.00	77.00	[ICRA]D ISSUER NOT COOPERATING*; Rating Continues to remain under the 'Issuer Not Cooperating' category.
Total	**200.00**	**200.00**	

**Issuer did not cooperate; based on best available information.*

^Instrument details are provided in Annexure-1

Rationale

ICRA has retained the ratings for the bank facilities of Hemang Resources Limited in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]D/D ISSUER NOT COOPERATING"

ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity's management has remained non-cooperative. The current rating action has been taken by ICRA basis best available/dated/ limited information on the issuers' performance. Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity. The rating action has been taken in accordance with ICRA's policy in respect of non-cooperation by a rated entity available at www.icra.in.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities: Click here ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology Policy in respect of non-co-operation by the rated entity Policy on Default Recognition
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Hemang Resources Limited (erstwhile Bhatia Industries and Infrastructure Limited) is promoted by the Bhatia Group of Indore, and is involved in coal trading, wherein coal is imported from coalfields in Indonesia and South Africa and is sold to domestic companies. It was initially incorporated as BCC Finance Limited and was involved in asset financing business. Subsequently in the year FY2007, it surrendered its NBFC certificate and changed the name to Bhatia Industries and Infrastructure Limited before being renamed HRL from March 2015 onwards. Since then, the company has been trading in coal as the main commodity, apart from commodities such as sand and soybean (which is now discontinued). Within the Bhatia Group, HRL is vested with the 'stock and sale' business with focus on catering to small corporate entities and dealers.

Key financial indicators (audited):

BIPPL Standalone	FY2018	FY2019
Operating Income (Rs. crore)	125.75	37.1
PAT (Rs. crore)	-11.95	-12.1
OPBDIT/OI (%)	-6.17%	-39.00%
RoCE (%)	NR	-26.8%
Total Outside Liabilities/Tangible Net Worth (times)	4.8	8.6
Total Debt/OPBDIT (times)	-2.1	-2.8
Interest Coverage (times)	-1.7	-6.1
DSCR (times)	-0.8	-5.9

Source: *Company*

Status of non-cooperation with previous CRA: Not Applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2021)				Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs.Crore)	Amount Outstanding (Rs.Crore)	Date & Rating in	Date & Rating in FY2020	Date & Rating in FY2019	Date & Rating in FY2018
					26-Feb-21	**14-Nov-19**	**9-Aug-18**	**3-Aug-17**
1	Fund Based/ Cash Credit	Long Term	12.00	-	**[ICRA]D ISSUER NOT COOPERATING**	**[ICRA]D ISSUER NOT COOPERATING**	**[ICRA]D ISSUER NOT COOPERATING**	**[ICRA]D**
2	Non Fund Based	Long Term	6.28	-	**[ICRA]D ISSUER NOT COOPERATING**	**[ICRA]D ISSUER NOT COOPERATING**	**[ICRA]D ISSUER NOT COOPERATING**	**[ICRA]D**
3	Unallocated	Short Term	104.72	-	**[ICRA]D ISSUER NOT COOPERATING**	**[ICRA]D ISSUER NOT COOPERATING**	**[ICRA]D ISSUER NOT COOPERATING**	**[ICRA]D**
4	Non Fund Based	Short Term	77.00	-	**[ICRA]D ISSUER NOT COOPERATING**	**[ICRA]D ISSUER NOT COOPERATING**	**[ICRA]D ISSUER NOT COOPERATING**	**[ICRA]D**

Complexity level of the rated instrument

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Fund Based- Cash Credit	-	-	-	12.00	[ICRA]D ISSUER NOT COOPERATING
NA	Non Fund Based	-	-	-	6.28	[ICRA]D ISSUER NOT COOPERATING
NA	Unallocated	-	-	-	104.72	[ICRA]D ISSUER NOT COOPERATING
NA	Non Fund based	-	-	-	77.00	[ICRA]D ISSUER NOT COOPERATING

Source: *Company*

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

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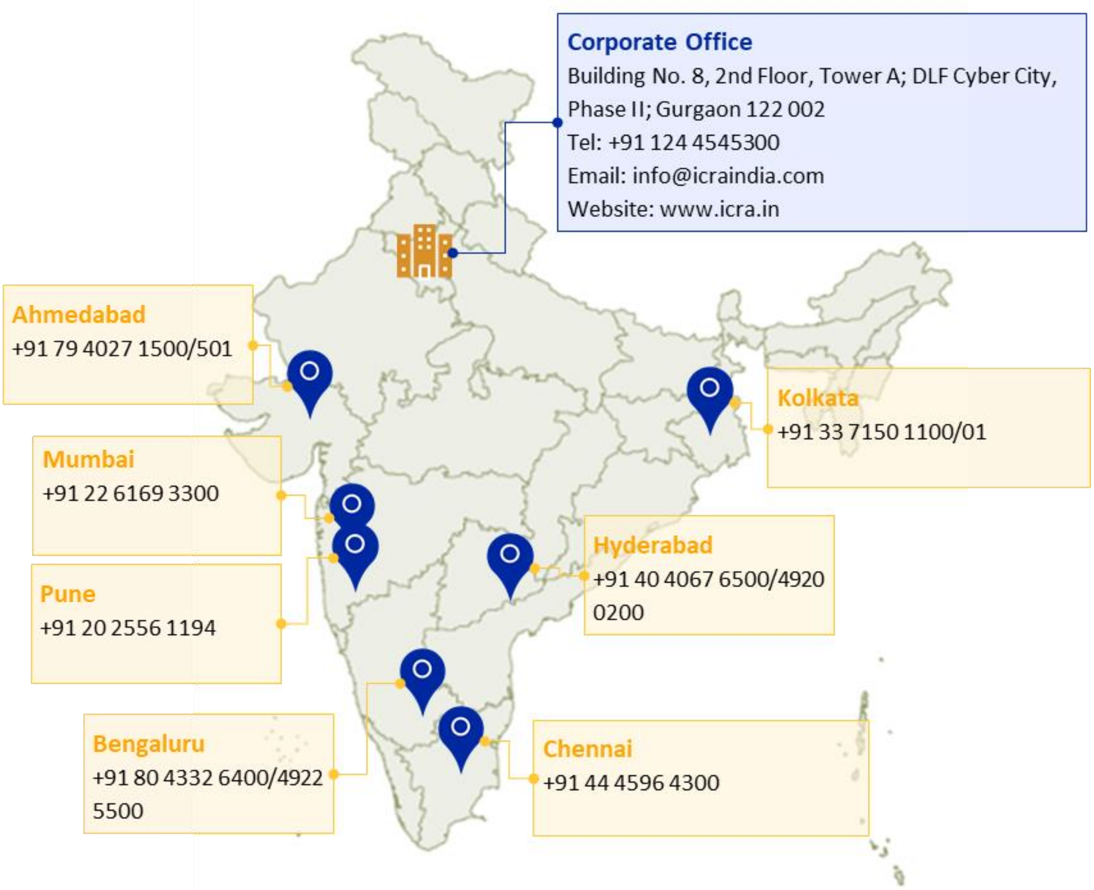

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